

ESTIMATED ACTIVITY 9/18/95

Assumptions

3 Markets, 4.5% US

10% smokers inquire

Various trial and conversion rates depending on smoker tar level

33% converters call for assistance

All intro kits to those who do not adopt are returned

75% purchases are direct delivery, 25% are retail

75% orders for direct delivery are by phone, 25% by mail in order

Operation starts up on 10/1/95

Activity first three mos.

210,000 inquiries

67,500 orders (16,900 mail in, 50,600 phone orders)

30,000 requests for assistance

46,000 returns

20,000 mailed in warranties of kits purchased at retail

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